

8
10
New No.

ELIAS C. ALVORD (1942)
ELLSWORTH C. ALVORD (1964)

ROBERT W. ALVORD*
CARL C. DAVIS*
CHARLES T. KAPPLER
JOHN H. DOYLE*
GEORGE JOHN KETO*
MILTON C. GRACE*
JAMES C. MARTIN, JR.*

*NOT A MEMBER OF D.C. BAR
*ALSO ADMITTED IN NEW YORK
*ALSO ADMITTED IN OHIO
*ALSO ADMITTED IN MARYLAND

LAW OFFICES
ALVORD AND ALVORD

200 WORLD CENTER BUILDING
918 SIXTEENTH STREET, N.W.

WASHINGTON, D.C. 1 5114

20006-2973

RECORDATION NO. _____ Filed & Recorded

DEC 4 1986 11-20 PM

INTERSTATE COMMERCE COMMISSION

December 4, 1986

OF COUNSEL
JESS LARSON
JOHN L. INGOLDSBY
URBAN A. LESTER

CABLE ADDRESS
"ALVORD"

TELEPHONE
AREA CODE 202
393-2266

TELEX
440367 A AND A

Ms. Noreta R. McGee
Secretary
Interstate Commerce Commission
Washington, D.C.

Dear Ms. McGee:

6-338A070
No.

Date DEC 4 1986

Fee \$ 10.00

ICC Washington, D.C.

DEC 4 11 18 AM '86
FEDERAL BUREAU OF INVESTIGATION
U.S. DEPARTMENT OF JUSTICE
RECEIVED

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11303(a) are the original and one certified true copy of a Railroad Equipment Lease dated as of November 15, 1986, a primary document as defined in the Commission's Rules for the Recordation of Documents.

The names and addresses of the parties to the enclosed document are:

Lessor: CMR Trust No. 5 *By: United States Leasing Corporation, as Agent*
~~United States Lease Financing, Inc.~~
733 Front Street
San Francisco, California 94111

Lessee: International Minerals & Chemicals Corp.
421 E. Hawley Street
Mundelein, Illinois 60060

A description of the railroad equipment covered by the enclosed document is set forth in Schedule A attached hereto and made a part hereof.

Also enclosed is a check in the amount of \$10 payable to the order of the Interstate Commerce Commission covering the required recordation fee.

Open typewriter CT-Kappler


Ms. Noreta R. McGee
Secretary
Interstate Commerce Commission
December 4, 1986
Page Two

Kindly return the stamped original copy of the enclosed document to Charles T. Kappler, Esq., Alvord and Alvord, 918 Sixteenth Street, N.W., Washington, D.C. 20006.

A brief summary of the enclosed primary document to appear in the Commission's Index is:

Railroad Equipment Lease dated as of November 15, 1986 between CMR Trust No. 5, Lessor, and International Minerals & Chemicals Corp., Lessee, covering twenty (20) Pullman-Standard Covered Hopper Cars.

Very truly yours,


Charles T. Kappler

Enclosures

SCHEDULE A

UNITS OF EQUIPMENT TO BE LEASED BY INTERNATIONAL
MINERALS & CHEMICAL CORP.

DESCRIPTION:

20 Pullman-Standard Covered Hoppers,
Specification No. 2285, Dated July 12,
1967, 100-Ton 4,427 Cu. Ft.

IDENTIFICATION
NUMBERS:

97513	97658
97552	97664
97583	97666
97584	97672
97589	97673
97595	97680
97613	97684
97615	97685
97639	97686
97656	97687

Interstate Commerce Commission

Washington, D.C. 20423

12/4/86

OFFICE OF THE SECRETARY

Charles T. Kapper
Alvord & Alvord
918 16th St. N.W.
Washington, D.C. 20006

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 12/4/86 at 11:20am, and assigned re-recording number(s). 15114

Sincerely yours,

Norita K. McGee
Secretary

Enclosure(s)

SE-30
(7/79)

RECORDATION NO. 1 5114 Filed & Recorded
DEC 4 1986 11-20 AM
INTERSTATE COMMERCE COMMISSION

District of)
Columbia)

On this 3^d day of December, 1986, the undersigned Notary Public says that she has compared the attached copy to the original of a Railroad Equipment Lease dated as of November 15, 1986 between CMR Trust No. 5 and International Minerals & Chemical Corp., and such copy is complete and identical in all respect to the original.

(SEAL)

Audrey A. Greaves
Notary Public

My Commission expires on Jan. 31, 1991.

DEC 4 1986 11-20 PM

RAILROAD EQUIPMENT LEASE

INTERSTATE COMMERCE COMMISSION

THIS RAILROAD EQUIPMENT LEASE dated as of November 15, 1986, between CMR TRUST NO. 5 (the "Lessor") and International Minerals & Chemical Corp. (the "Lessee");

W I T N E S S E T H:

SECTION 1. DELIVERY OF EQUIPMENT.

The Lessor is the owner of twenty (20) 100-Ton 4427 Cubic Foot Covered Hopper Cars as described in Schedule A hereto (the "Equipment"). The Lessor shall lease the Equipment to the Lessee and the Lessee shall hire the Equipment from the Lessor subject to the terms and conditions hereinafter set forth.

The Lessor has tendered delivery of the Equipment to the Lessee, the Lessee has inspected the Equipment and has accepted delivery thereof, thereby conclusively establishing that the Equipment is acceptable to and accepted by the Lessee under this Lease, and that the Equipment is in good order and condition and appears to conform to all applicable Interstate Commerce Commission requirements and specifications, if any.

SECTION 2. RENTALS.

The Lessee agrees to pay to the Lessor a total rental for the Equipment in the amount of \$116,400, payable in 60 consecutive, equal monthly installments, in advance, each in the amount of \$1,940 or \$97.00 for each Covered Hopper Car commencing with a first payment due on December 15, 1986.

This Lease is a net lease and the Lessee shall not be entitled to any abatement of rent or reduction thereof, including, but not limited to, abatements or reductions due to any present or future claims of the Lessee against the Lessor under this Lease.

SECTION 3. TERM OF THE LEASE.

The term of this Lease shall begin on December 15, 1986 and shall terminate on December 14, 1991.

SECTION 4. TITLE TO THE EQUIPMENT.

The Lessor shall and hereby does retain full legal title to the Equipment notwithstanding the delivery thereof to and the possession and use thereof by the Lessee.

The Lessee will cause the Equipment to be kept numbered with the identifying Road Number as set forth herein with appropriate changes thereof and additions thereto as from time to time may be required by law in order to protect the title of the Lessor to the Equipment and its rights under this Lease. The Lessee will replace promptly any such number, names and word or words which may be removed, defaced or destroyed. The Lessee will not change the indentifying Road Number or the Equipment except with the consent of the Lessor and in accordance with a statement of each new identifying Road Number to be substituted therefor, which consent and statement previously shall have been filed with the Lessor by the Lessee and filed, recorded or deposited in all public offices where this Lease shall have been filed, recorded or dsposited.

SECTION 5. DISCLAIMER OF ALL WARRANTIES.

The Lessee hereby agrees that it has taken delivery of the Equipment and has agreed to lease the Equipment from the Lessor, AS-IS, WHERE-IS, except as to those matters reported to the Lessor as indicated in Schedule B attached hereto. The Lessor makes no warranty or representation, either express or implied, as to the fitness or merchantability of the Equipment or any other matter whatever.

SECTION 6. INDEMNIFICATION CLAUSE.

From and after the date hereof until the termination of this Lease, the possession, use, operation and maintenance of the Equipment shall be at the sole risk and expense of the Lessee. The Lessee shall defend, indemnify and save harmless the Lessor, from and against (a) any and all loss of or damage to the Equipment, usual wear and tear excepted, and (b) any claim, cause of action, damages or liability (including counsel fees and expenses in connection therewith) which the Lessor may incur in any manner by reason of its ownership of, which may arise in any manner out of or as a result of, the design, manufacture, use or operation of the Equipment, or by reason of its condition (whether defects are latent or patent), or as a result of claims for patent infringements, during the term of this Lease, regardless of whether such claims are made during or subsequent to termination.

SECTION 7. RULES, LAWS AND REGULATIONS.

The Lessee agrees to comply with all governmental laws, regulations, requirements and rules (including the rules of the Interstate Commerce Commission and the current Interchange Rules, or supplements thereto, of the Mechanical Division, Association of American Railroads) with respect to the use, maintenance and operation of the Equipment.

SECTION 8. USE AND MAINTENANCE OF EQUIPMENT.

The Lessee shall use the Equipment only in the manner for which it was designed and intended and so as to subject it only to ordinary wear and tear. The Lessee shall, at its own cost and expense, maintain and keep the Equipment in good order, condition and repair, ordinary wear and tear excepted, suitable for use in interchange. The Lessee shall not modify the Equipment without the written authority and approval of the Lessor which shall not be unreasonably withheld. Any parts installed or replacements made by the Lessee upon the Equipment shall be considered accession to the Equipment and title thereto shall be immediately vested in the Lessor, without cost or expense to the Lessor.

SECTION 9. LIENS ON THE EQUIPMENT.

The Lessee shall pay or satisfy and discharge any and all claims against, through, or under the Lessee and its successors or assigns which, if unpaid, might constitute or become a lien or a charge upon the Equipment, and any liens or charges which may be levied against or imposed upon the Equipment as a result of the failure of the Lessee to perform or observe any of its covenants or agreements under this Lease, but the Lessee shall not be required to pay or discharge any such claims so long as it shall, in good faith and by appropriate legal proceedings, contest the validity thereof in any reasonable manner which will not affect or endanger the title and interest of the Lessor to the Equipment. The Lessee's obligations under this Section 9 shall survive termination of the Lease.

SECTION 10. FILING: PAYMENT OF FEES AND TAXES.

The Lessee will promptly cause this Lease to be duly filed, registered or recorded in conformity with Section 20c of the Interstate Commerce Act or other places within or without the United States as the Lessor may reasonably request for the

protection of its title and will furnish the Lessor proof thereof. The Lessee will, from time to time, do and perform any other act and will execute, acknowledge, deliver, file, register and record (and will re-file, re-register, or re-record whenever required) any and all further instruments required by law or reasonably requested by the Lessor, for the purpose of protecting the Lessor's title to the Equipment to the satisfaction of the Lessor's counsel or for the purpose of carrying out the intention of this Lease, and in connection with any such action, will deliver to the Lessor proof of such filings. The Lessee will pay all costs, charges and expenses incident to any such filing, re-filing, registering, re-registering, recording and re-recording of any such instruments or incident to the taking of such action.

The Lessee, or the Lessor at the Lessee's expense, shall report, pay and discharge when due all license and registration fees, assessments, sales, use and property taxes, gross receipts taxes arising out of receipts from use or operation of Equipment including without limitation amounts payable under Section 2, 11, 16, 20 and 21 hereof and other taxes (excluding any tax measured by the Lessor's net income and any gross receipts or gross income taxes in substitution for or by way of relief from the payment of taxes measured by such net income, provided that the Lessee agrees to pay that portion of any such tax on or measured by rents payable hereunder or the net income therefrom which is in direct substitution for, and which relieves the Lessee from, a tax on the Equipment which the Lessee would otherwise be obligated to pay under the terms of this Section), together with any penalties or interest thereon, imposed by any state, federal or local government upon the Equipment and whether or not the same shall be assessed against or in the name of Lessor, Agent, Lessee, or the Trustor; provided, however, that the Lessee shall not be required to pay or discharge any such tax or assessment (i) so long as it shall, in good faith and by appropriate legal proceedings, contest the validity thereof in any reasonable manner which will not affect or endanger the title and interest of the Lessor to the Equipment, however, the Lessee shall reimburse the Lessor for any damages or expenses resulting from such failure to pay or discharge, or (ii) as to assessments against or in the name of anyone other than the Lessee, until 20 days after written notice thereof shall have been given to the Lessee.

SECTION 11. PAYMENT FOR CASUALTY OCCURRENCE: INSURANCE.

In the event that the Equipment shall be or become lost, stolen, destroyed, or in the opinion of the Lessee and Lessor, irreparably damaged from any cause whatsoever, or shall be requisitioned or taken over by any governmental authority under the power of eminent domain or otherwise during the term of this Lease (any such occurrence, except for any requisition which by its terms does not exceed the remaining term of this Lease, being hereinafter called a "Casualty Occurrence"), the Lessee shall promptly (after it has knowledge of such Casualty Occurrence) and fully inform the Lessor in regard thereto and on next rental payment date following such Casualty Occurrence, shall pay the Lessor a sum equal to the amount calculated as set forth below the "Casualty Value") as of the date of such payment. The Casualty Value for each item of the Equipment is the Dollar Amount shown on Exhibit I hereto opposite the number of the rental payment on which the Casualty Value is required to be paid, plus a full rental payment for the Equipment. Once such amounts have been paid, no further rental shall be payable under this Lease for the particular item subject to the casualty.

In the event that during the term of this Lease the use of the Equipment is requisitioned or taken by any governmental authority under the power of eminent domain or otherwise for a period which does not exceed the remaining term of this Lease, the Lessee's duty to pay rental shall continue for the duration of such requisitioning or taking. The Lessee shall be entitled to receive and retain for its own account all sums payable for any such period by such governmental authority as compensation for requisition or taking of possession.

The Lessor or its assigns shall have the right, at its sole cost and expense, by its authorized representative, to inspect the Equipment and the Lessee's records with respect thereto, at such times as shall be reasonably necessary to conform to the Lessor or its assigns the existence and proper maintenance thereof during the continuance of this Lease.

The Lessee shall maintain a program of self insurance with respect to property insurance coverage for the Equipment similar to the railroad equipment which is owned by the Lessee, and shall carry public liability and property damage insurance covering the Equipment. All said insurance shall be in form and amount and with companies approved by the Lessor, ~~and shall be in the joint names of the~~ 22
and shall name the Lessor as additional insured as their interest may appear and only with respect to this equipment.

72
~~Lessor and Lessee.~~ The Lessee shall pay the premiums therefor and deliver said policies, or duplicates thereof, to the Lessor. Each insurer shall acknowledge and agree by endorsement upon the policy or policies issued by it or by independent instrument furnished to the Lessor that it will make payment of any claims in respect of the Equipment jointly to the Lessee and Lessor for application in accordance with the terms of this Lease and give the Lessor at least 30 days written notice before the policy in question shall be altered or cancelled. The proceeds of such insurance, at the option of the Lessor, shall be applied toward (a) the obligations of the Lessee to replace or repair the Equipment or pay the Casualty Value thereof or (b) payment or provision for satisfaction of the obligations of the Lessee in default hereunder. Any excess of such proceeds remaining shall belong to the Lessee.

SECTION 12. DEFAULT.

If, during the continuance of this Lease, one or more of the following events ("Events of Default") shall occur:

- A. Default shall be made in the payment of any part of the rental or Casualty provided in Section 2 or 11 hereof and such default shall continue for ten days.
- B. Default shall be made in the observance or performance of the covenants, conditions and agreements on the part of the Lessee contained in the last paragraph of Section 11 hereof.
- C. The Lessee shall make or permit any unauthorized assignment or transfer of this Lease or of possession of the Equipment, or any portion thereof.
- D. Any representation or warranty made by the Lessee herein or in any statement or certificate furnished to the Lessor pursuant to or in connection with this Lease proves untrue in material respect as of the date of issuance or making thereof.
- E. Default shall be made in the observance or performance of any other of the covenants, conditions and agreements on the part of the Lessee contained herein and such default shall continue for 30 days after written notice from the Lessor to the Lessee, specifying the default and demanding the same to be remedied.

F. Any proceedings shall be commenced by or against the Lessee for any relief under any bankruptcy or insolvency laws, or laws relating to the relief of debtors, readjustments of indebtedness, reorganization, arrangements, compositions or extensions (other than a law which does not permit any readjustment of the obligations of the Lessee or the Guarantor), and, if instituted by the Lessee are consented to or are not dismissed within 60 days after such proceedings shall have been commenced.

Then, in any such case, the Lessor, at its option, may:

- (a) proceed by appropriate court action or actions, either at law or in equity, to enforce performance by the Lessee of the applicable covenants of this Lease or to recover damages for the breach thereof; or
- (b) by notice in writing to the Lessee, terminate this Lease, whereupon all right of the Lessee to the use of the Equipment shall absolutely cease and terminate as though this Lease had never been made, but the Lessee shall remain liable as hereinafter provided; and thereupon, the Lessor may by its agents enter upon the premises of the Lessee or other premises where the Equipment may be located and take possession of the Equipment and thenceforth hold, possess and enjoy the same free from any right of the Lessee, or its successors or assigns, to use the Equipment for any purpose whatsoever; but the Lessor shall, nevertheless, have a right to recover from the Lessee any and all amounts which under the terms of this Lease may be then due or which may have accrued to the date of such termination (computing the rental for any number of days less than a full rental period by a fraction of which the numerator is such accrued number of days and the denominator is the total number of days in such full rental period) and also to recover forthwith from the Lessee (1) as damages for loss of the bargain and not as a penalty, a sum, with respect to the Equipment, which

represents the excess of the present worth, at the time of such termination, of all rentals for the Equipment which would otherwise have accrued hereunder from the date of such termination to the end of the term of this Lease over the then present worth of the then fair rental value of the Equipment for such period computed by discounting from the end of such term to the date of such termination rentals which the Lessor reasonably estimates to be obtainable for the use of the Equipment during such period, such present worth to be computed in each case on a basis of a per annum discount, compounded monthly from the respective dates upon which rentals would have been payable hereunder had this Lease not been terminated, and (ii) any damages and expenses, including reasonable attorney's fees, in addition thereto which the Lessor shall have sustained by reason of the breach of any covenant or covenants of this Lease, other than for the payment of rental.

The remedies in this Lease provided in favor of the Lessor shall not be deemed exclusive, but shall be cumulative, and shall be in addition to all other remedies in its favor existing at law or in equity. The Lessee hereby waives any mandatory requirements of law, now or hereafter in effect, which might limit or modify any of the remedies herein provided, to the extent that such waiver is permitted by law. The Lessee hereby waives any and all existing or future claims of any right to assert any off-set against the rental payments due hereunder, and agrees to make the rental payments regardless of any off-set or claim which may be asserted by the Lessee or on its behalf in connection with the lease of the Equipment.

The failure of the Lessor to exercise the rights granted it hereunder upon any occurrence of any of the contingencies set forth herein shall not constitute a waiver of any such right upon the continuation or recurrence of any such contingencies or similar contingencies.

SECTION 13. RETURN OF EQUIPMENT UPON DEFAULT.

If the Lessor shall terminate this Lease pursuant to Section 12 hereof, the Lessee shall forthwith deliver possession

of the Equipment to the Lessor. For the purpose of delivering possession of the Equipment to the Lessor as above required, the Lessee shall at its own cost, expense and risk (except as hereinafter stated):

- A. Forthwith place the Equipment in such reasonable storage place on the Lessee's property as the Lessor may designate or, in the absence of such designation, as the Lessee may select;
- B. Permit the Lessor to store the Equipment in such reasonable storage place on the Lessee's property for a period not exceeding six months at the risk of the Lessee; and
- C. Transport the Equipment, at any time within such six months' period to any connecting carrier for shipment, all as the Lessor may reasonably direct upon not less than 30 days' written notice to the Lessee.

The assembling, delivery, storage and transporting of the Equipment as hereinbefore provided are of the essence of this Lease, and upon application to any court of equity having jurisdiction in the premises, the Lessor shall be entitled to a decree against the Lessee requiring specific performance of the covenants of the Lessee so to assemble, deliver, store and transport the Equipment.

Without in any way limiting the obligation of the Lessee under the foregoing provisions of this Section 13, the Lessee hereby irrevocably appoints the Lessor as the agent and attorney of the Lessee, with full power and authority, at any time while the Lessee is obligated to deliver possession of the Equipment to the Lessor, to demand and take possession of the Equipment in the form and on behalf of the Lessee from whoever shall be at the time in possession of such Equipment.

SECTION 14. ASSIGNMENT: POSSESSION AND USE.

So long as the Lessee shall not be in default under this Lease, the Lessee shall be entitled to the possession and use of the Equipment in accordance with the terms of this Lease (including delivery of the same to railroad companies or other carriers for movement thereof in accordance with instructions of Lessee), but, without the priorwritten consent of the Lessor, the Lessee shall

not part with the possession or control of, or suffer or allow to pass out of its possession or control, the Equipment. No assignment, sublease or interchange entered into by the Lessee hereunder shall relieve the Lessee of any liability or obligation hereunder which shall be and remain those of a principal and not a surety.

SECTION 15. INTEREST: AMOUNTS PAID BY LESSOR: PLACE OF PAYMENT.

Anything to the contrary herein contained notwithstanding, any nonpayment of rentals or any other amounts due hereunder, or amounts expended by or for the account of the Lessor on behalf of the Lessee, shall result in the obligation on the part of the Lessee to pay also an amount equal to 12% per annum (or the lawful rate, whichever is less) of the overdue rentals, other amount and amounts expended by or for the account of the Lessor, for the period of time during which they are overdue or expended and not repaid.

All payments provided for in this Lease to be made to the Lessor shall be made to the Lessor at 733 Front Street, San Francisco, California 94111, or at such other place as the Lessor or its assigns shall specify in writing.

SECTION 16. NOTICES.

Any notice required or permitted to be given by either party hereto to the other shall be deemed to have been given when deposited in the United States certified mails, first class postage prepaid, addressed as follows:

If to the Lessor:

CMR Trust No. 5
United States Lease Financing, Inc.
733 Front Street
San Francisco, California 94111

Attention: Desa V. Wakeman
President

If to the Lessee:

International Minerals & Chemicals Corp.
421 E. Hawley Street
Mundelein, IL 60060

Attention: Q. H. Davis, Director Distribution

or addressed to either party at such other address as such party shall hereafter furnish to the other party in writing.

SECTION 17. EXECUTION IN COUNTERPARTS.

This Lease, and any lease supplemental hereto, may be executed in several counterparts, each of which so executed shall be deemed to be an original and in each case such counterparts shall constitute but one and the same instrument.

SECTION 18. LAW GOVERNING.

This Lease shall be construed in accordance with the laws of California; provided, however, that the parties shall be entitled to all rights conferred by any applicable federal statute, rule or regulation.

SECTION 19. OPTION TO PURCHASE.

Provided that the Lessee is not in default, the Lessee shall have an option to purchase the Equipment upon the expiration of the term of this Lease, upon the following terms and conditions:

- a) If the Lessee desires to exercise this option it shall, at least 180 days before expiration of the term of this Lease, give Lessor writtern notice of its election to purchase and shall upon the expiration of the term of this Lease pay to the Lessor in cash the purchase price for the Equipment, determined as hereinafter provided.
- (b) The purchase price shall be \$1.00 Notwithstanding any election of the Lessee to purchase, the provisions of Section 11 hereof shall continue in full force and effect the date of purchase.

SECTION 20. FINANCIAL REPORTS AND INFORMATION.

On or before October 1, 1987 and annually or as soon as available thereafter, the Lessee will furnish to the Lessor a copy of the audited balance sheet of the Lessee as of the preceding June 30, and the related audited statements of income, retained earnings and changes in financial position for the fiscal year ending on such June 30, accompanied by an


opinion thereon of independent public accountants of recognized national standing selected by the Lessee and such other financial information and reports furnished to shareholders of the Lessee.

IN WITNESS WHEREOF, the parties hereto have caused this Lease to be executed by their respective officers thereunder duly authorized and their corporate seals to be hereto affixed as of the day and year first above written.


Lessor:

CMR TRUST NO. 5
By: UNITED STATES LEASING
CORPORATION, AS AGENT

By


Its Assistant Treasurer

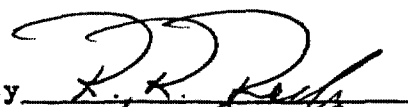
By


Its Assistant Vice President

Lessee:

INTERNATIONAL MINERALS
CHEMICAL CORP.

By


Its Vice President
Transportation/Distribution



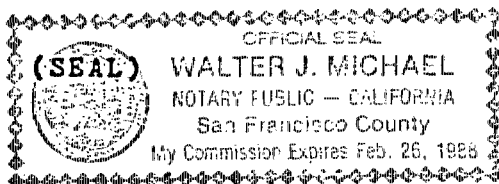
STATE OF CALIFORNIA

)
)

SS

CITY AND COUNTY OF SAN FRANCISCO)

On this 19th day of November, 1986, before me, the undersigned, a notary public for the State, personally appeared F. R. Ashby personally known to me, who being by me duly sworn, says that he is the Assistant Treasurer of UNITED STATES LEASING CORPORATION, that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors; and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.



Walter J. Michael

My commission expires: February 26, 1988

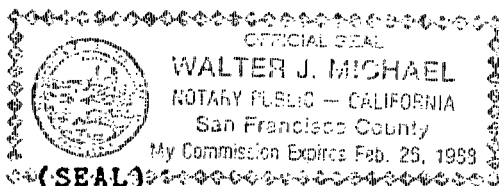
STATE OF CALIFORNIA

)
)

SS

CITY AND COUNTY OF SAN FRANCISCO)

On this 19th day of November, 1986, before me personally appeared Don Wakeman, personally known to me, who being by me duly sworn, says that he is the ~~Assistant Vice President~~ President of UNITED STATES LEASING CORPORATION, that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors; and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.



Walter J. Michael

My commission expires: February 26, 1988

STATE OF ILLINOIS)
)
COUNTY OF LAKE) SS

On this 21st day of November, 1986, before me personally appeared R. R. Koch, to me personally known, who being by me duly sworn says that he is the V.P. Transportation President of INTERNATIONAL MINERALS & CHEMICAL CORP., that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors; and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

(SEAL)

Ruth E. Bohmer

My commission expires:

10/10/87

SCHEDULE A

UNITS OF EQUIPMENT TO BE LEASED BY INTERNATIONAL
MINERALS & CHEMICAL CORP.

DESCRIPTION:

20 Pullman-Standard Covered Hoppers,
Specification No. 2285, Dated July 12,
1967, 100-Ton 4,427 Cu. Ft.

IDENTIFICATION
NUMBERS:

97513	97658
97552	97664
97583	97666
97584	97672
97589	97673
97595	97680
97613	97684
97615	97685
97639	97686
97656	97687

SCHEDULE B
16 IMC LEASE CARS IN SAVANNA REQUIRING REPAIRS

CAR NUMBER

DEFECTS

97513*	A & B TOP EXTENSION BROKE
97552*	COTS OUT OF DATE 10-68, AR-CORNER CRACKED, HAND HOLD BENT
97583*	COTS NO DATE
97584*	COTS OUT OF DATE 1-86
97589*	A-TOP EXTENSION BENT & TWISTED, A-CROSSOVER HAND HOLD TWIST.
97615*	B-BODY BOLSTER BOTTOM COVER PLATE & WEB, TORN TWISTED & CRK.
97639*	B-TRUCK CENTER BOWL BROKE
97656*	B-CENTER PLATE CRACKED, DRAFT SILL WELDED, NEED AAR SPLICE
97664*	COTS OUT OF DATE 1-68
97672*	AL-LADDER STILE AND HAND HOLD BENT & TWISTED
97673*	COTS OUT OF DATE 1-68, A-CROSSOVER BROKE
97680*	COTS OUT OF DATE 1-68, AL-HAND HOLD BENT
97684*	BR-END SILL, CROSSOVER, HAND HOLDS WRECK DAMAGE
97685*	B-CROSSOVER BROKEN AND BENT
97686*	COTS OUT OF DATE 2-68, A-DRAFT SILL WELDED NEED AAR SPLICE
97687*	A-CENTER PLATE CRACKED, COTS 12-68

EXHIBIT I

INTERNATIONAL MINERALS & CHEMICAL CORP.

SCHEDULE OF CASUALTY VALUE

The following dollar amount plus a full rental payment for the equipment is to be paid pursuant to Section 11 of the Railroad Equipment Lease on the following numbered rental payment dates:

<u>PAYMENT</u>	<u>CASUALTY VALUE</u>	<u>PAYMENT</u>	<u>CASUALTY VALUE</u>
1.	\$4743.42	31.	\$ 2657.93
2.	4736.37	32.	2784.75
3.	4678.84	33.	2710.96
4.	4620.83	34.	2636.55
5.	4562.34	35.	2561.52
6.	4503.36	36.	2485.87
7.	4443.89	37.	2409.59
8.	4383.92	38.	2332.67
9.	4323.45	39.	2255.11
10.	4262.48	40.	2176.90
11.	4201.00	41.	2098.04
12.	4139.01	42.	2018.52
13.	4076.50	43.	1938.34
14.	4013.47	44.	1857.49
15.	3949.92	45.	1775.97
16.	3885.84	46.	1693.77
17.	3821.22	47.	1610.88
18.	3756.06	48.	1527.30
19.	3690.36	49.	1443.03
20.	3624.11	50.	1358.06
21.	3557.31	51.	1272.38
22.	3489.95	52.	1185.98
23.	3422.03	53.	1098.86
24.	3353.55	54.	1011.02
25.	3284.50	55.	922.45
26.	3214.87	56.	833.14
27.	3144.66	57.	743.08
28.	3073.87	58.	652.27
29.	3002.49	59.	560.71
30.	2930.51	60.	0.00